

**Grantee: Mesa, AZ**

**Grant: B-08-MN-04-0504**

**April 1, 2009 thru June 30, 2009 Performance Report**

**Grant Number:**

B-08-MN-04-0504

**Obligation Date:****Grantee Name:**

Mesa, AZ

**Award Date:****Grant Amount:**

\$9,659,665.00

**Contract End Date:****Grant Status:**

Active

**Review by HUD:**

Reviewed and Approved

**Submitted By:**

No Submitter Found

## Disasters:

### Declaration Number

NSP

## Plan Description:

For the purpose of the Neighborhood Stabilization Program (NSP), the City of Mesa has identified the following census tracts and block groups as defining its area of greatest need. Those include: 422106 422105 420501 421901 421801 421201 422503 422104 422107 422002 422103 422102 422203 420901 420902 421101 421102 420800 422604 421202 421301 421302 422616 422502 421400 421501 421601 421502 422501 422001 421602 421700 422611 422302 422605 421802 421902 422609 422301. Mesa will limit the distribution and use of NSP funds to those census tracts and block groups shown above that have been identified as the areas of greatest need within the City of Mesa. In accordance with Section 2301(c)(2) of HERA, those areas have been targeted because they have the highest percentage of foreclosures, the highest percentage of homes financed by a subprime related loan, and are likely to face a significant rise in the rate of home foreclosures. Mesa will engage in the following activities within the above outlined census tracts, focusing in the 85204 zip code, as part of its NSP activities: Acquire and rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent, or redevelop such homes and properties; Demolition of blighted structures Redevelop demolished or vacant properties Down payment assistance and Housing Counseling At least 25% of funds will be used for housing individuals and families whose incomes do not exceed 50% of area median income. To accomplish the projects as stated above, the City of Mesa will partner with community organizations. Potential community partners will be: Save the Family; Transitional Living Communities (TLC); A & A Cottages; Sustainable Home Ownership (SHO) Coalition; Marc Center; Community Bridges; and PTE Real Estate Group.

## Recovery Needs:

In order to stabilize the neighborhoods and reduce blight, residential properties that have been foreclosed upon will need to be acquired, rehabilitated to a habitable condition and sold to individuals and families with a commitment to the neighborhood in which they live. These individuals and families will need affordable and sustainable homes, HUD certified housing counseling and education, and financial down payment assistance in order to accomplish the goal of homeownership that promotes a sense of neighborhood.

The City of Mesa expects to demolish or convert 62 low and moderate income dwelling units as a result of NSP assisted activities.

The City of Mesa expects to acquisition/rehab approximately 47 housing units for low, moderate and middle income individuals and households, and acquisition/demolition 15 housing structures as a result of NSP assisted activities.

Commencement of the acquisition/rehab activity will commence upon notification from HUD of availability of NSP funds. However, the identification of potential properties has already begun. It is expected that all properties will be acquired and the rehabilitation will be in progress by June 30, 2010.

The City of Mesa expects to make available a minimum of 20 units for households whose income does not exceed 50 percent of area median income.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$9,659,665.00
Total CDBG Program Funds Budgeted	N/A	\$9,659,665.00
Program Funds Drawdown	\$77,569.69	\$77,569.69
Obligated CDBG DR Funds	\$77,569.69	\$77,569.69
Expended CDBG DR Funds	\$91,996.77	\$91,996.77
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

## Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	\$99.99	\$0.00
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$1,448,949.75	\$0.00
Limit on Admin/Planning	\$965,966.50	\$72,134.07
Limit on State Admin	\$0.00	\$0.00

## Progress Toward Activity Type Targets

## Progress Toward National Objective Targets

### Overall Progress Narrative:

The City of Mesa Neighborhood Stabilization Program (NSP) is currently in the process of acquiring single-family and multi-family homes for acquisition and rehabilitation under both the Acquisition Rehabilitation - Home Ownership and the Acquisition Rehabilitation - Rental activities. These properties are located in the 85204 zip code, which contains census tracts and block groups determined to have the highest percentage of foreclosures, the highest percentage of homes financed by a subprime loan, and those likely to face a significant rise in the rate of home foreclosures. To further facilitate the acquisition of properties, HUD released the NSP1 Bridge Notice in June 2009 that states "Each foreclosed-upon home or residential property shall be purchased at a discount of at least 1 percent from the current market-appraised value of the home or property." HUD reduced the minimum individual discount requirement from five (5) percent to one (1) percent to permit greater flexibility in addressing local market conditions and to avoid a downward spiral in property values in neighborhoods where discounts are reflected in valuations for subsequent sales. The process of acquiring properties for the Acquisition Demolition Reconstruction activity has not yet begun. Properties in qualifying census tracts and block groups in zip codes adjacent to 85204 will also be considered for this activity if these properties are found to be blighted and rehab of the property would be cost prohibitive.

The City of Mesa NSP is currently finalizing a subrecipient agreement with Housing Our Communities, Inc., an Arizona not for profit corporation, to administer the forgivable down payment loan assistance (up to 15% of the purchase price, but no more than \$15,000) to qualified households participating in the NSP program. Housing Our Communities, Inc. will also determine household AMI eligibility through interview, explain NSP program guidelines and timelines, and provide a minimum of eight (8) hours of HUD approved homebuyer counseling and education to

qualifying applicants for the NSP program. Household eligibility determination and home-buyer counseling will commence once the subrecipient agreement has been fully executed.

In addition, as part of this subrecipient agreement, Housing Our Communities, Inc. will also purchase ten (10) to fifteen (15) foreclosed single-family homes for rehabilitation prior to sale to families or individuals with income levels of equal to or less than 120% of HUD Area Median Income (AMI). Housing opportunities will primarily serve households with incomes from 51-120% of AMI, while not precluding the inclusion of housing opportunities for households with incomes below 50% of AMI. Housing Our Communities, Inc. (HOC) will partner with the City of Mesa Housing and Revitalization Division to conduct rehabilitation contracts through a competitive bid process with licensed, bonded, insured, and experienced contractors to provide rehabilitation work on these acquired foreclosed properties. The City of Mesa will accept and award contracts for the rehabilitation of all homes purchased with NSP funds by Housing Our Communities, Inc. HOC will also partner with the City of Mesa Housing Rehab Specialists to conduct pre and post rehabilitation inspections on the acquired foreclosed properties. Acquisition and rehabilitation of foreclosed single-family homes will commence once the subrecipient agreement has been fully executed, focusing on home ownership in the NSP target area within the 85204 zip code. The subrecipient agreement is expected to be fully executed in August 2009.

## Project Summary

Project #, Project Title	This Report Period		To Date	
	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	\$0.00
ADMIN, Administration	\$861,665.00	\$66,164.64	\$861,665.00	\$66,164.64
ARH, Acquisition/Rehabilitation - Home Ownership	\$5,198,000.00	\$8,895.94	\$5,198,000.00	\$8,895.94
ARR, Acquisition/Rehabilitation - Rental	\$2,600,000.00	\$2,509.11	\$2,600,000.00	\$2,509.11
DEMO, Acquisition Demolition	\$1,000,000.00	\$0.00	\$1,000,000.00	\$0.00

## Activities

<b>Grantee Activity Number:</b>	<b>B-08-MN-04-0504 -001</b>
<b>Activity Title:</b>	<b>Aquisition Rehabilitation - Rental</b>

**Activity Category:**

Acquisition - general

**Activity Status:**

Planned

**Project Number:**

ARR

**Project Title:**

Acquisition/Rehabilitation - Rental

**Projected Start Date:**

06/01/2009

**Projected End Date:**

07/30/2013

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Responsible Organization:**

City of Mesa

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$1,800,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$1,800,000.00
<b>Program Funds Drawdown</b>	\$2,509.11	\$2,509.11
<b>Obligated CDBG DR Funds</b>	\$2,509.11	\$2,509.11
<b>Expended CDBG DR Funds</b>	\$4,369.79	\$4,369.79
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The Acquisition Rehab rental activity will focus strategically on neighborhoods with a high percentage of residential properties of foreclosed or abandoned homes within the targeted census tracts. Properties will be acquired at a minimum of five percent (5%) below appraised value. However, the total portfolio average for purchases will be no less than ten percent (10%) below appraised value. The City of Mesa will acquire, inspect for rehabilitation, and lease the properties in coordination with the City of Mesa Housing Authority. It is anticipated that some of the rental properties will be an opportunity for home ownership for those renting. Because not all families will qualify for homeownership, this activity will be cause for a high rate of neighborhood stabilization for long term tenants. The acquisition/rehabilitation/rental activity will benefit income-qualified persons to meet the low income housing requirement for those below 50% of area median income. The acquisition/rehabilitation/rental activity will serve as workforce housing for individuals and families striving to one day become homeowners. Inspections will be made monthly to identify and repair any items necessary. This activity will adhere to the affordability period as outlined in this Amendment to the Action Plan.

**Location Description:**

The City of Mesa will focus on the census tracts with the highest need. Those include: 420501 421901 421801 421201 422503 420901 420902 421101 421102 422604 421202 421301 421302 422616 422502 421400 421501 421601 421502 422501 422001 421602 421700 422611 422302 422605 421802 421902 422609 422301 420800 422002 422102 422103 422203 422107 422104 422105 422106

**Activity Progress Narrative:**

The acquisition portion of the Acquisition Rehabilitation - Rental activity focuses on neighborhoods within the defined "area of greatest need." The census tracts and block groups determined to have the highest percentage of foreclosures, the highest percentage of homes financed by a subprime loan, and those likely to face a significant rise in the rate of home foreclosures are located in the 85204 zip code. The NSP1 Bridge Notice released June 2009 states that "Each foreclosed-upon home or residential property shall be purchased at a discount of at least 1 percent from the current market-appraised value of the home or property." HUD reduced the minimum individual discount requirement from five (5) percent to one (1) percent to permit greater flexibility in addressing local market conditions and to avoid a downward spiral in property values in neighborhoods where discounts are reflected in valuations for subsequent sales. The process of acquiring sixteen (16) rental units using the HUD reduced minimum individual discount requirement is underway.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/9

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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**Grantee Activity Number:** B-08-MN-04-0504 -006

**Activity Title:** Administration

**Activity Category:**

Administration

**Project Number:**

ADMIN

**Projected Start Date:**

10/02/2008

**National Objective:**

N/A

**Activity Status:**

Under Way

**Project Title:**

Administration

**Projected End Date:**

07/30/2013

**Responsible Organization:**

City of Mesa

**Overall**

**Apr 1 thru Jun 30, 2009**

**To Date**

**Total Projected Budget from All Sources**

N/A

\$861,665.00

**Total CDBG Program Funds Budgeted**

N/A

\$861,665.00

**Program Funds Drawdown**

\$66,164.64

\$66,164.64

**Obligated CDBG DR Funds**

\$66,164.64

\$66,164.64

**Expended CDBG DR Funds**

\$72,134.07

\$72,134.07

**Match Contributed**

\$0.00

\$0.00

**Program Income Received**

\$0.00

\$0.00

**Program Income Drawdown**

\$0.00

\$0.00

**Activity Description:**

General administrative and planning costs related to the NSP program.

**Location Description:**

The City of Mesa will focus on the census tracts with the highest need. Those include: 420501 421901 421801 421201 422503 420901 420902 421101 421102 422604 421202 421301 421302 422616 422502 421400 421501 421601 421502 422501 422001 421602 421700 422611 422302 422605 421802 421902 422609 422301 420800 422002 422102 422103 422203 422107 422104 422105 422106

**Activity Progress Narrative:**

Administration activities have taken place. Administration costs incurred have been for program set up, program planning and some associated training.

**Performance Measures**

No Performance Measures found.

**Activity Locations**

No Activity Locations found.

**Other Funding Sources Budgeted - Detail**

No Other Match Funding Sources Found

**Other Funding Sources****Amount**

No Other Funding Sources Found

Total Other Funding Sources

<b>Grantee Activity Number:</b>	<b>B-08-MN-04-0504-002</b>
<b>Activity Title:</b>	<b>Acquisition Rehabilitation - Rental</b>

**Activity Category:**

Rehabilitation/reconstruction of residential structures

**Activity Status:**

Planned

**Project Number:**

ARR

**Project Title:**

Acquisition/Rehabilitation - Rental

**Projected Start Date:**

07/01/2009

**Projected End Date:**

07/30/2013

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Responsible Organization:**

City of Mesa

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$800,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$800,000.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Obligated CDBG DR Funds</b>	\$0.00	\$0.00
<b>Expended CDBG DR Funds</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The Acquisition Rehab rental activity will focus strategically on neighborhoods with a high percentage of residential properties of foreclosed or abandoned homes within the targeted census tracts. Properties will be acquired at a minimum of five percent (5%) below appraised value. However, the total portfolio average for purchases will be no less than ten percent (10%) below appraised value. The City of Mesa will acquire, inspect for rehabilitation, and lease the properties in coordination with the City of Mesa Housing Authority. It is anticipated that some of the rental properties will be an opportunity for home ownership for those renting. Because not all families will qualify for homeownership, this activity will be cause for a high rate of neighborhood stabilization for long term tenants. The acquisition/rehabilitation/rental activity will benefit income-qualified persons to meet the low income housing requirement for those below 50% of area median income. The acquisition/rehabilitation/rental activity will serve as workforce housing for individuals and families striving to one day become homeowners. Inspections will be made monthly to identify and repair any items necessary. This activity will adhere to the affordability period as outlined in this Amendment to the Action Plan.

**Location Description:**

The City of Mesa will focus on the census tracts with the highest need. Those include: 420501 421901 421801 421201 422503 420901 420902 421101 421102 422604 421202 421301 421302 422616 422502 421400 421501 421601 421502 422501 422001 421602 421700 422611 422302 422605 421802 421902 422609 422301 420800 422002 422102 422103 422203 422107 422104 422105 422106

**Activity Progress Narrative:**

The rehabilitation portion of the Acquisition Rehabilitation - Rental activity focuses on neighborhoods within the defined "area of greatest need." The census tracts and block groups determined to have the highest percentage of foreclosures, the highest percentage of homes financed by a subprime loan, and those likely to face a significant rise in the rate of home foreclosures are located in the 85204 zip code. The NSP1 Bridge Notice released June 2009 states that "Each foreclosed-upon home or residential property shall be purchased at a discount of at least 1 percent from the current market-appraised value of the home



or property." HUD reduced the minimum individual discount requirement from five (5) percent to one (1) percent to permit greater flexibility in addressing local market conditions and to avoid a downward spiral in property values in neighborhoods where discounts are reflected in valuations for subsequent sales. The process of acquiring sixteen (16) rental units using the HUD reduced minimum individual discount requirement is underway. Rehabilitation/reconstruction work will commence once properties have been purchased under the acquisition activity. The rehabilitation project procedures for four (4) of these rental units will integrate ADA compliance requirements.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/9

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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<b>Grantee Activity Number:</b>	<b>B-08-MN-04-0504-003</b>
<b>Activity Title:</b>	<b>aquisition Rehabilitation - Home Ownership</b>

**Activity Category:**

Acquisition - general

**Project Number:**

ARH

**Projected Start Date:**

06/01/2009

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Planned

**Project Title:**

Acquisition/Rehabilitation - Home Ownership

**Projected End Date:**

07/30/2013

**Responsible Organization:**

City of Mesa

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$1,700,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$1,700,000.00
<b>Program Funds Drawdown</b>	\$8,895.94	\$8,895.94
<b>Obligated CDBG DR Funds</b>	\$8,895.94	\$8,895.94
<b>Expended CDBG DR Funds</b>	\$15,492.91	\$15,492.91
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The Acquisition Rehab Home Ownership activity will focus strategically on neighborhoods with a high percentage of residential properties of foreclosed or abandoned homes within the targeted census tracks. Properties will be acquired at a minimum of five percent (5%) below appraised value. However, the total portfolio average for purchases will be no less than ten percent (10%) below appraised value. The City of Mesa will acquire the properties, do necessary rehabilitation and then market the properties for resale through various media including the realtor industry. The activity will partner with counseling agencies to provide down payment assistance when necessary and complete the sales transactions. This activity will benefit individuals and households up to and including one hundred twenty percent (120%) AMI.

**Location Description:**

The City of Mesa will focus on the census tracks with the highest need. Those include: 420501 421901 421801 421201 422503 420901 420902 421101 421102 422604 421202 421301 421302 422616 422502 421400 421501 421601 421502 422501 422001 421602 421700 422611 422302 422605 421802 421902 422609 422301 420800 422002 422102 422103 422203 422107 422104 422105 422106

**Activity Progress Narrative:**

The acquisition portion of the Acquisition Rehabilitation - Home Ownership activity focuses on neighborhoods within the defined "area of greatest need." The census tracts and block groups determined to have the highest percentage of foreclosures, the highest percentage of homes financed by a subprime loan, and those likely to face a significant rise in the rate of home foreclosures are located in the 85204 zip code. The NSP1 Bridge Notice released June 2009 states that "Each foreclosed-upon home or residential property shall be purchased at a discount of at least 1 percent from the current market-appraised value of the home or property." HUD reduced the minimum individual discount requirement from five (5) percent to one (1) percent to permit greater flexibility in addressing local market conditions and to avoid a downward spiral in property values in neighborhoods where discounts are reflected in valuations for subsequent sales. The process of acquiring thirteen (13) to eighteen (18) foreclosed single-family homes using the HUD reduced minimum individual discount requirement is underway.

**Performance Measures**

	<b>This Report Period</b>			<b>Cumulative Actual Total / Expected</b>		
	<b>Low</b>	<b>Mod</b>	<b>Total</b>	<b>Low</b>	<b>Mod</b>	<b>Total</b>
<b># of Properties</b>	0	0	0	0/0	0/0	0/12

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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<b>Grantee Activity Number:</b>	<b>B-08-MN-04-0504-004</b>
<b>Activity Title:</b>	<b>Acquisition Rehabilitation - Home Ownership</b>

**Activity Category:**

Rehabilitation/reconstruction of residential structures

**Activity Status:**

Planned

**Project Number:**

ARH

**Project Title:**

Acquisition/Rehabilitation - Home Ownership

**Projected Start Date:**

07/01/2009

**Projected End Date:**

07/30/2013

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

City of Mesa

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$700,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$700,000.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Obligated CDBG DR Funds</b>	\$0.00	\$0.00
<b>Expended CDBG DR Funds</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The Acquisition Rehab Home Ownership activity will focus strategically on neighborhoods with a high percentage of residential properties of foreclosed or abandoned homes within the targeted census tracks. Properties will be acquired at a minimum of five percent (5%) below appraised value. However, the total portfolio average for purchases will be no less than ten percent (10%) below appraised value. The City of Mesa will acquire the properties, do necessary rehabilitation and then market the properties for resale through various media including the realtor industry. The activity will partner with counseling agencies to provide down payment assistance when necessary and complete the sales transactions. This activity will benefit individuals and households up to and including one hundred twenty percent (120%) AMI.

**Location Description:**

The City of Mesa will focus on the census tracks with the highest need. Those include: 420501 421901 421801 421201 422503 420901 420902 421101 421102 422604 421202 421301 421302 422616 422502 421400 421501 421601 421502 422501 422001 421602 421700 422611 422302 422605 421802 421902 422609 422301 420800 422002 422102 422103 422203 422107 422104 422105 422106

**Activity Progress Narrative:**

The rehabilitation portion of the Acquisition Rehabilitation - Home Ownership activity focuses on neighborhoods within the defined "area of greatest need." The census tracts and block groups determined to have the highest percentage of foreclosures, the highest percentage of homes financed by a subprime loan, and those likely to face a significant rise in the rate of home foreclosures are located in the 85204 zip code. The NSP1 Bridge Notice released June 2009 states that "Each foreclosed-upon home or residential property shall be purchased at a discount of at least 1 percent from the current market-appraised value of the home or property." HUD reduced the minimum individual discount requirement from five (5) percent to one (1) percent to permit greater flexibility in addressing local market conditions and to avoid a downward spiral in property values in neighborhoods where discounts are reflected in valuations for subsequent sales. The process of acquiring thirteen (13) to eighteen (18) foreclosed single-family homes using the HUD reduced minimum individual discount requirement is underway. Rehabilitation/reconstruction work will commence once properties have been purchased under the acquisition activity.

**Performance Measures**

<b>This Report Period</b>			<b>Cumulative Actual Total / Expected</b>		
<b>Low</b>	<b>Mod</b>	<b>Total</b>	<b>Low</b>	<b>Mod</b>	<b>Total</b>

# of Properties	0	0	0	0/0	0/0	0/12
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Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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<b>Grantee Activity Number:</b>	<b>B-08-MN-04-0504-005</b>
<b>Activity Title:</b>	<b>Acquisition Demolition</b>

**Activity Category:**

Clearance and Demolition

**Activity Status:**

Planned

**Project Number:**

DEMO

**Project Title:**

Acquisition Demolition

**Projected Start Date:**

07/01/2009

**Projected End Date:**

07/30/2013

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

City of Mesa

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$250,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$250,000.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Obligated CDBG DR Funds</b>	\$0.00	\$0.00
<b>Expended CDBG DR Funds</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The Acquisition Demolition activity will focus strategically on neighborhoods with a high percentage of residential properties of foreclosed or abandoned homes within the targeted census tracks. Properties will be acquired at a minimum of five percent (5%) below appraised value. However, the total portfolio average for purchases will be no less than ten percent (10%) below appraised value. The City of Mesa will acquire, inspect for rehabilitation, and determine if it is cost effective to rehabilitate the property. If the cost to rehab the property is excessive the decision will be made to demolish the property. At such time the City of Mesa planning department will determine if another home will be constructed or if it is in the best interest of the neighborhood to look for alternative uses for the property.

**Location Description:**

The City of Mesa will focus on the census tracks with the highest need. Those include: 420501 421901 421801 421201 422503 420901 420902 421101 421102 422604 421202 421301 421302 422616 422502 421400 421501 421601 421502 422501 422001 421602 421700 422611 422302 422605 421802 421902 422609 422301 420800 422002 422102 422103 422203 422107 422104 422105 422106

**Activity Progress Narrative:**

The clearance and demolition portion of the Acquisition Demolition Reconstruction activity focuses on neighborhoods within the defined "area of greatest need." The census tracts and block groups determined to have the highest percentage of foreclosures, the highest percentage of homes financed by a subprime loan, and those likely to face a significant rise in the rate of home foreclosures are located in the 85204 zip code. The NSP1 Bridge Notice released June 2009 states that "Each foreclosed-upon home or residential property shall be purchased at a discount of at least 1 percent from the current market-appraised value of the home or property." HUD reduced the minimum individual discount requirement from five (5) percent to one (1) percent to permit greater flexibility in addressing local market conditions and to avoid a downward spiral in property values in neighborhoods where discounts are reflected in valuations for subsequent sales. Properties in adjacent zip codes in qualifying census tracts and block groups will also be considered for the acquisition demolition activity if these properties are found to be blighted. The purpose of this activity is to demolish blighted structures if it is determined that it would be cost prohibitive to rehab the property. In certain instances, it may be more cost effective to demolish a blighted existing structure and reconstruct a new home. Five (5) single-family homes will be acquired for demolition with the intention of reconstructing a new single-family home on each property. If reconstruction of a single-family home on the property is not feasible, the City of Mesa Planning Division will work with the neighborhood to determine an alternative use for the property. Clearance and demolition work will commence once single-family homes for demolition are acquired.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/15

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	



<b>Grantee Activity Number:</b>	<b>B-08-MN-04-0504-007</b>
<b>Activity Title:</b>	<b>Acquisition Demolition</b>

**Activity Category:**

Acquisition - general

**Activity Status:**

Planned

**Project Number:**

DEMO

**Project Title:**

Acquisition Demolition

**Projected Start Date:**

06/01/2009

**Projected End Date:**

07/30/2013

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

City of Mesa

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$750,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$750,000.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Obligated CDBG DR Funds</b>	\$0.00	\$0.00
<b>Expended CDBG DR Funds</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The Acquisition Demolition activity will focus strategically on neighborhoods with a high percentage of residential properties of foreclosed or abandoned homes within the targeted census tracks. Properties will be acquired at a minimum of five percent (5%) below appraised value. However, the total portfolio average for purchases will be no less than ten percent (10%) below appraised value. The City of Mesa will acquire, inspect for rehabilitation, and determine if it is cost effective to rehabilitate the property. If the cost to rehab the property is excessive the decision will be made to demolish the property. At such time the City of Mesa planning department will determine if another home will be constructed or if it is in the best interest of the neighborhood to look for alternative uses for the property.

**Location Description:**

The City of Mesa will focus on the census tracks with the highest need. Those include: 420501 421901 421801 421201 422503 420901 420902 421101 421102 422604 421202 421301 421302 422616 422502 421400 421501 421601 421502 422501 422001 421602 421700 422611 422302 422605 421802 421902 422609 422301 420800 422002 422102 422103 422203 422107 422104 422105 422106

**Activity Progress Narrative:**

The acquisition portion of the Acquisition Demolition Reconstruction activity focuses on neighborhoods within the defined "area of greatest need." The census tracts and block groups determined to have the highest percentage of foreclosures, the highest percentage of homes financed by a subprime loan, and those likely to face a significant rise in the rate of home foreclosures are located in the 85204 zip code. The NSP1 Bridge Notice released June 2009 states that "Each foreclosed-upon home or residential property shall be purchased at a discount of at least 1 percent from the current market-appraised value of the home or property." HUD reduced the minimum individual discount requirement from five (5) percent to one (1) percent to permit greater flexibility in addressing local market conditions and to avoid a downward spiral in property values in neighborhoods where discounts are reflected in valuations for subsequent sales. Properties in adjacent zip codes in qualifying census tracts and block groups will also be considered for the acquisition demolition activity if these properties are found to be blighted. The purpose of this activity is to demolish blighted structures if it is determined that it would be cost prohibitive to rehab the property. In certain instances, it may be more cost effective to demolish a blighted existing structure and reconstruct a new home. Five (5) single- family homes will be acquired for demolition with the intention of reconstructing a new single- family home on each property. If reconstruction of a single-family home on the property is not feasible, the City of Mesa Planning Division will work with the neighborhood to determine an alternative use for the property. Acquisition of single-family homes for this activity has not yet begun.



Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/15

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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<b>Grantee Activity Number:</b>	<b>B-08-MN-04-0504-008</b>
<b>Activity Title:</b>	<b>Down Payment Assistance</b>

**Activity Category:**

Homeownership Assistance to low- and moderate-income

**Project Number:**

ARH

**Projected Start Date:**

08/01/2009

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Planned

**Project Title:**

Acquisition/Rehabilitation - Home Ownership

**Projected End Date:**

07/30/2013

**Responsible Organization:**

Housing Our Communities

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$500,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$500,000.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Obligated CDBG DR Funds</b>	\$0.00	\$0.00
<b>Expended CDBG DR Funds</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The Acquisition Rehab Home Ownership activity will focus strategically on neighborhoods with a high percentage of residential properties of foreclosed or abandoned homes within the targeted census tracks. Properties will be acquired at a minimum of five percent (5%) below appraised value. However, the total portfolio average for purchases will be no less than ten percent (10%) below appraised value. The City of Mesa will acquire the properties, do necessary rehabilitation and then market the properties for resale through various media including the realtor industry. The activity will partner with counseling agencies to provide down payment assistance when necessary and complete the sales transactions. This activity will benefit individuals and households up to and including one hundred twenty percent (120%) AMI. Housing Our Communities, a local non-profit, will be the subrecipient that will be administering the down payment assistance.

**Location Description:**

The City of Mesa will focus on the census tracks with the highest need. Those include: 420501 421901 421801 421201 422503 420901 420902 421101 421102 422604 421202 421301 421302 422616 422502 421400 421501 421601 421502 422501 422001 421602 421700 422611 422302 422605 421802 421902 422609 422301 420800 422002 422102 422103 422203 422107 422104 422105 422106

**Activity Progress Narrative:**

Currently completing a subrecipient agreement with Housing Our Communities, Inc., an Arizona not for profit corporation, to administer the forgivable down payment loan assistance (up to 15% of the purchase price, but no more than \$15,000) to qualified households participating in the NSP program.

**Performance Measures**

	<b>This Report Period</b>			<b>Cumulative Actual Total / Expected</b>		
	<b>Low</b>	<b>Mod</b>	<b>Total</b>	<b>Low</b>	<b>Mod</b>	<b>Total</b>
# of Households benefitting	0	0	0	0/0	0/0	0/12

**Activity Locations**

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

#### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

**Grantee Activity Number:** B-08-MN-04-0504-009

**Activity Title:** Home Buyer Counseling

**Activity Category:**

Homeownership Assistance to low- and moderate-income

**Project Number:**

ARH

**Projected Start Date:**

06/01/2009

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Planned

**Project Title:**

Acquisition/Rehabilitation - Home Ownership

**Projected End Date:**

07/30/2013

**Responsible Organization:**

Housing Our Communities

#### Overall

#### Apr 1 thru Jun 30, 2009

#### To Date

**Total Projected Budget from All Sources**

N/A

\$98,000.00

**Total CDBG Program Funds Budgeted**

N/A

\$98,000.00

**Program Funds Drawdown**

\$0.00

\$0.00

**Obligated CDBG DR Funds**

\$0.00

\$0.00

**Expended CDBG DR Funds**

\$0.00

\$0.00

**Match Contributed**

\$0.00

\$0.00

**Program Income Received**

\$0.00

\$0.00

**Program Income Drawdown**

\$0.00

\$0.00

#### Activity Description:

The Acquisition Rehab Home Ownership activity will focus strategically on neighborhoods with a high percentage of residential properties of foreclosed or abandoned homes within the targeted census tracts. Properties will be acquired at a minimum of five percent (5%) below appraised value. However, the total portfolio average for purchases will be no less than ten percent (10%) below appraised value. The City of Mesa will acquire the properties, do necessary rehabilitation and then market the properties for resale through various media including the realtor industry. The activity will partner with counseling agencies to provide down payment assistance when necessary and complete the sales transactions. This activity will benefit individuals and households up to and including one hundred twenty percent (120%) AMI. Housing Our Communities, a local non-profit, will be the subrecipient that will be providing the home buyer counseling.

#### Location Description:

The City of Mesa will focus on the census tracts with the highest need. Those include: 420501 421901 421801 421201 422503 420901 420902 421101 421102 422604 421202 421301 421302 422616 422502 421400 421501 421601 421502 422501 422001 421602 421700 422611 422302 422605 421802 421902 422609 422301 420800 422002 422102 422103 422203 422107 422104 422105 422106

#### Activity Progress Narrative:

Currently completing a subrecipient agreement with Housing Our Communities, Inc., an Arizona not for profit corporation, to determine household AMI eligibility through interview, explain NSP program guidelines and timelines, and to provide a minimum of eight (8) hours of HUD approved homebuyer counseling and education to qualifying applicants for the NSP

program. Household eligibility determination and home-buyer counseling will commence once the subrecipient agreement has been fully executed. The subrecipient agreement is expected to be fully executed in August 2009.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Households benefitting	0	0	0	0/0	0/0	0/24

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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<b>Grantee Activity Number:</b>	<b>B-08-MN-04-0504-010</b>
<b>Activity Title:</b>	<b>Aquisition Rehab - Homeownership</b>

**Activity Category:**

Acquisition - general

**Project Number:**

ARH

**Projected Start Date:**

07/01/2009

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Planned

**Project Title:**

Acquisition/Rehabilitation - Home Ownership

**Projected End Date:**

07/30/2009

**Responsible Organization:**

Housing Our Communities

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$1,540,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$1,540,000.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Obligated CDBG DR Funds</b>	\$0.00	\$0.00
<b>Expended CDBG DR Funds</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The Acquisition Rehab Home Ownership activity will focus strategically on neighborhoods with a high percentage of residential properties of foreclosed or abandoned homes within the targeted census tracks. Properties will be acquired at a minimum of five percent (5%) below appraised value. However, the total portfolio average for purchases will be no less than ten percent (10%) below appraised value. The City of Mesa will acquire the properties, do necessary rehabilitation and then market the properties for resale through various media including the realtor industry. The activity will partner with counseling agencies to provide down payment assistance when necessary and complete the sales transactions. This activity will benefit individuals and households up to and including one hundred twenty percent (120%) AMI.

**Location Description:**

The City of Mesa will focus on the census tracks with the highest need. Those include: 420501 421901 421801 421201 422503 420901 420902 421101 421102 422604 421202 421301 421302 422616 422502 421400 421501 421601 421502 422501 422001 421602 421700 422611 422302 422605 421802 421902 422609 422301 420800 422002 422102 422103 422203 422107 422104 422105 422106

**Activity Progress Narrative:**

Currently completing a subrecipient agreement with Housing Our Communities, Inc., an Arizona not for profit corporation, to purchase ten (10) to fifteen (15) foreclosed single-family homes for sale to families or individuals with income levels of equal to or less than 120% of HUD Area Median Income (AMI). Housing opportunities will primarily serve households with incomes from 51-120% of AMI, while not precluding the inclusion of housing opportunities for households with incomes below 50% of AMI. Acquisition of foreclosed single-family homes will commence once the subrecipient agreement has been fully executed, focusing on home ownership in the NSP target area within the 85204 zip code. The subrecipient agreement is expected to be fully executed in August 2009.

**Performance Measures**

	<b>This Report Period</b>			<b>Cumulative Actual Total / Expected</b>		
	<b>Low</b>	<b>Mod</b>	<b>Total</b>	<b>Low</b>	<b>Mod</b>	<b>Total</b>
<b># of Properties</b>	0	0	0	0/0	0/0	0/10

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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<b>Grantee Activity Number:</b>	<b>B-08-MN-04-0504-011</b>
<b>Activity Title:</b>	<b>Aquisition Rehab - Homeownership</b>

**Activity Category:**

Rehabilitation/reconstruction of residential structures

**Activity Status:**

Planned

**Project Number:**

ARH

**Project Title:**

Acquisition/Rehabilitation - Home Ownership

**Projected Start Date:**

07/01/2009

**Projected End Date:**

07/30/2013

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

Housing Our Communities

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$660,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$660,000.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Obligated CDBG DR Funds</b>	\$0.00	\$0.00
<b>Expended CDBG DR Funds</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The Acquisition Rehab Home Ownership activity will focus strategically on neighborhoods with a high percentage of residential properties of foreclosed or abandoned homes within the targeted census tracks. Properties will be acquired at a minimum of five percent (5%) below appraised value. However, the total portfolio average for purchases will be no less than ten percent (10%) below appraised value. The City of Mesa will acquire the properties, do necessary rehabilitation and then market the properties for resale through various media including the realtor industry. The activity will partner with counseling agencies to provide down payment assistance when necessary and complete the sales transactions. This activity will benefit individuals and households up to and including one hundred twenty percent (120%) AMI.

**Location Description:**

The City of Mesa will focus on the census tracks with the highest need. Those include: 420501 421901 421801 421201 422503 420901 420902 421101 421102 422604 421202 421301 421302 422616 422502 421400 421501 421601 421502 422501 422001 421602 421700 422611 422302 422605 421802 421902 422609 422301 420800 422002 422102 422103 422203 422107 422104 422105 422106

**Activity Progress Narrative:**

Currently completing a subrecipient agreement with Housing Our Communities, Inc., an Arizona not for profit corporation, to purchase ten (10) to fifteen (15) foreclosed single-family homes for rehabilitation prior to sale to families or individuals with income levels of equal to or less than 120% of HUD Area Median Income (AMI). Housing opportunities will primarily serve households with incomes from 51-120% of AMI, while not precluding the inclusion of housing opportunities for households with incomes below 50% of AMI. Housing Our Communities, Inc. (HOC) will partner with the City of Mesa Housing and Revitalization Division to conduct rehabilitation contracts through a competitive bid process with licensed, bonded, insured, and experienced contractors to provide rehabilitation work on these acquired foreclosed properties. The City of Mesa will accept and award contracts for the rehabilitation of all homes purchased with NSP funds by Housing Our Communities, Inc.. HOC will also partner with the City of Mesa Housing Rehab Specialists to conduct pre and post rehabilitation inspections on the acquired foreclosed properties.

**Performance Measures**

	<b>This Report Period</b>			<b>Cumulative Actual Total / Expected</b>		
	<b>Low</b>	<b>Mod</b>	<b>Total</b>	<b>Low</b>	<b>Mod</b>	<b>Total</b>
<b># of Properties</b>	0	0	0	0/0	0/0	0/10

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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